



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-2079/P8 4
ALL:all:all

DOA:.....Montgomery - Executive Budget Bill

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

W/ch. 20
sched to
added

1

AN ACT *relating to:* state finances and appropriations, constituting the
executive budget act of the 1999 legislature.

2

Analysis by the Legislative Reference Bureau

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

stet ~~****NOTE: This redraft (-0028/5) eliminates treatment of s. 16.0095, which is repealed in LRB-0829. If LRB-0829 is not included in the budget bill, the treatment should be restored.~~

****NOTE: This draft removes the treatment of s. 20.143 (1) (c) and (ie). SECTION 20.143 (1) (c) has been affected by drafts with the following LRB numbers: LRB-0557/2, LRB-0558/1, LRB-1279/1, LRB-1582/2, LRB-1827/3 and LRB-2072/1. SECTION 20.143 (1) (ie) has been affected by drafts with the following LRB numbers: LRB-0557/2, LRB-1279/1, LRB-1582/2 and LRB-2072/1. The reconciled treatment of s. 20.143 (1) (c) and (ie) is contained in LRB-2072/2.

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LRB-0558/1, LRB-1279/1, LRB-1582/2, LRB-1827/3 and LRB-2072/1. Section 20.143 (1) (ie) has been affected by drafts with the following LRB numbers: LRB-0557/2, LRB-1279/1, LRB-1582/2 and LRB-2072/1. The reconciled treatment of s. 20.143 (1)(c) and (ie) is contained in LRB-2072/2.

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1 ***-1961/1.1* SECTION 1.** 13.123 (3) (a) of the statutes is amended to read:

2 13.123 (3) (a) Any senator authorized by the committee on senate organization
3 to attend a meeting outside the state capital, any representative to the assembly
4 authorized by the committee on assembly organization to attend an out-of-state
5 meeting or authorized by the speaker to attend a meeting within this state outside
6 the state capital, and all members of the legislature required by law, legislative rule,
7 resolution or joint resolution to attend such meetings, shall be paid no additional
8 compensation for such services but shall be reimbursed for actual and necessary
9 expenses from the appropriation under s. 20.765 (1) (a) or (b), but no legislator may
10 be reimbursed under this subsection for expenses on any day for which the legislator
11 submits a claim under sub. (1). ~~Any expenses incurred by a legislator under s. 14.82~~
12 ~~shall be reimbursed from the appropriation under s. 20.315 (1) (q).~~

13 ***-1961/1.2* SECTION 2.** 13.45 (3) (a) of the statutes is amended to read:

14 13.45 (3) (a) For any day for which the legislator does not file a claim under s.
15 13.123 (1), any legislator appointed to serve on a legislative committee or a
16 committee to which the legislator was appointed by either house or the officers
17 thereof shall be reimbursed from the appropriations under ~~ss. 20.315 (1) (q) and s.~~
18 20.765 (1) (a) or (b) for actual and necessary expenses incurred as a member of the
19 committee.

20 ***-1250/5.1* SECTION 3.** 13.48 (16) of the statutes is amended to read:

1 13.48 (16) MADISON DOWNTOWN STATE OFFICE FACILITIES. The Except as provided
2 in s. 32.02 (16) the eminent domain authority of the building commission under ch.
3 32 is limited to the acquisition of such parcels of land as it deems necessary for a site
4 for Madison downtown state office facilities, whenever the building commission is
5 unable to agree with the owner upon the compensation therefor, or whenever the
6 absence or legal incapacity of such owner, or other cause prevents or unreasonably
7 delays such agreement.

8 ***-1696/7.1* SECTION 4.** 13.94 (1) (b) of the statutes is amended to read:

9 13.94 (1) (b) Audit the records of every state department, board, commission,
10 independent agency or authority and the corporation described under s. 39.81 at
11 least once each 5 years and audit the records of other departments as defined in sub.
12 (4) when the state auditor deems it advisable or when he or she is so directed and,
13 in conjunction therewith, reconcile the records of the department audited with those
14 of the department of administration. Audits of the records of a county, city, village,
15 town or school district may be performed only as provided in par. (m). Within 30 days
16 after completion of any such audit, the bureau shall file with the chief clerk of each
17 house of the legislature, the governor, the department of administration, the
18 legislative reference bureau, the joint committee on finance, the legislative fiscal
19 bureau and the department audited, a detailed report thereof, including its
20 recommendations for improvement and efficiency and including specific instances,
21 if any, of illegal or improper expenditures. The chief clerks shall distribute the report
22 to the joint legislative audit committee, the appropriate standing committees of the
23 legislature and the joint committee on legislative organization.

24 ***-0030/2.1* SECTION 5.** 13.94 (4) (a) 1. of the statutes is amended to read:

1 13.94 (4) (a) 1. Every state department, board, examining board, affiliated
2 credentialing board, commission, independent agency, council or office in the
3 executive branch of state government; all bodies created by the legislature in the
4 legislative or judicial branch of state government; any public body corporate and
5 politic created by the legislature including specifically a professional baseball park
6 district and a family care district under s. 46.2895; every Wisconsin works agency
7 under subch. III of ch. 49; every provider of medical assistance under subch. IV of ch.
8 49; technical college district boards; development zones designated under s. 560.71;
9 every county department under s. 51.42 or 51.437; every nonprofit corporation or
10 cooperative to which moneys are specifically appropriated by state law; and every
11 corporation, institution, association or other organization which receives more than
12 50% of its annual budget from appropriations made by state law, including
13 subgrantee or subcontractor recipients of such funds.

14 ***-0030/2.2*** SECTION 6. 13.94 (4) (b) of the statutes is amended to read:

15 13.94 (4) (b) In performing audits of family care districts under s. 46.2895,
16 Wisconsin works agencies under subch. III of ch. 49, providers of medical assistance
17 under subch. IV of ch. 49, corporations, institutions, associations, or other
18 organizations, and their subgrantees or subcontractors, the legislative audit bureau
19 shall audit only the records and operations of such providers and organizations
20 which pertain to the receipt, disbursement or other handling of appropriations made
21 by state law.

22 ***-1850/1.1*** SECTION 7. 13.96 (3) of the statutes is created to read:

23 13.96 (3) POWERS OF THE DIRECTOR. The director of the legislative technology
24 services bureau may, by lease agreement, purchase and install computer networking
25 equipment to serve facilities of state agencies, as defined in s. 20.001 (1), that are

1 located in the same building in which a legislative branch office is located or in an
2 adjacent building, and may provide related maintenance and support services to
3 such agencies.

4 ***-1741/2.1* SECTION 8.** 14.06 of the statutes is created to read:

5 **14.06 Gifts, grants and bequests.** The governor may accept gifts, grants and
6 bequests, and may expend the proceeds to carry out the purposes for which received.

7 ***-1739/1.1* SECTION 9.** 14.11 (2) (a) 1. to 3. of the statutes are amended to read:

8 14.11 (2) (a) 1. To assist the attorney general in any action or proceeding;

9 2. To act instead of the attorney general in any action or proceeding, if the
10 attorney general is in any way interested adversely to the state;

11 3. To defend any action instituted by the attorney general against any officer
12 of the state;

13 ***-1739/1.2* SECTION 10.** 14.11 (2) (a) 5. of the statutes is created to read:

14 14.11 (2) (a) 5. Upon request of the ethics board, to assist the board in
15 investigating or prosecuting an alleged violation of subch. III of ch. 13 or subch. III
16 of ch. 19.

17 ***-1821/4.1* SECTION 11.** 14.18 of the statutes is created to read:

18 **14.18 Assistance from state agencies.** (1) In this section "state agency" has
19 the meaning given under s. 20.001 (1).

20 (2) The governor may enter into a cooperative arrangement with any state
21 agency under which the agency provides assistance to the governor in carrying out
22 his or her responsibilities.

23 ***-1961/1.3* SECTION 12.** 14.82 of the statutes is repealed.

24 ***-2028/2.1* SECTION 13.** 15.03 of the statutes is amended to read:

1 **15.03 Attachment for limited purposes.** Any division, office, commission,
2 council or board attached under this section to a department or independent agency
3 or a specified division thereof shall be a distinct unit of that department, independent
4 agency or specified division. Any division, office, commission, council or board so
5 attached shall exercise its powers, duties and functions prescribed by law, including
6 rule making, licensing and regulation, and operational planning within the area of
7 program responsibility of the division, office, commission, council or board,
8 independently of the head of the department or independent agency, but budgeting,
9 program coordination and related management functions shall be performed under
10 the direction and supervision of the head of the department or independent agency,
11 except that with respect to the office of the commissioner of railroads, all personnel
12 and biennial budget requests by the office of the commissioner of railroads shall be
13 processed ~~and properly forwarded by the public service commission without change~~
14 ~~except as requested and concurred in by the office of the commissioner of railroads~~
15 by the department of transportation.

16 *~~1696/7.2~~* **SECTION 14.** 15.07 (1) (a) 5. of the statutes is amended to read:

17 15.07 (1) (a) 5. The members of the educational communications board
18 appointed under s. 15.57 ~~(5) and (7)~~ (1) (e) and (g) shall be appointed as provided in
19 that section.

20 *~~1922/5.1~~* **SECTION 15.** 15.07 (2) (k) of the statutes is created to read:

21 15.07 (2) (k) The governor shall serve as chairperson of the governor's
22 work-based learning board.

23 *~~2005/5.1~~* **SECTION 16.** 15.07 (2) (L) of the statutes is created to read:

24 15.07 (2) (L) The chairperson of the glass ceiling board shall be designated
25 annually by the governor.

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***-0030/2.3* SECTION 17.** ~~15.07(2)(m)~~ of the statutes is created to read:

2

~~15.07(2)(m)~~ The chairperson of the council on long-term care shall be designated by the governor.

3

***NOTE: This is reconciled s. ~~15.07(2)(m)~~. This paragraph has been affected by drafts with the following LRB numbers: LRB-0030/P4, LRB-1922/4 and LRB-2005/4.

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***-0030/2.4* SECTION 18.** ~~15.07(2)(m)~~ of the statutes, as created by 1999 Wisconsin Act (this act), is repealed.

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***NOTE: This is reconciled s. ~~15.07(2)(m)~~. This paragraph has been affected by drafts with the following LRB numbers: LRB-0030/P4, LRB-1922/4 and LRB-2005/4.

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***-1516/4.1* SECTION 19.** 15.07 (5) (i) of the statutes is repealed.

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***-2023/1.1* SECTION 20.** 15.105 (1) of the statutes is amended to read:

8

15.105 (1) TAX APPEALS COMMISSION. There is created a tax appeals commission which is attached to the department of administration under s. 15.03. Members shall be appointed solely on the basis of fitness to perform the duties of their office, and shall be experienced in tax matters. The commission shall meet at the call of the chairperson or at the call of a majority of its members. The chairperson shall not serve on or under any committee of a political party. The commission shall include but not be limited to a small claims summary proceedings division.

15

***-0030/2.5* SECTION 21.** 15.105 (10) of the statutes is amended to read:

16

15.105 (10) BOARD ON AGING AND LONG-TERM CARE. There is created a board on aging and long-term care, attached to the department of administration under s. 15.03. The board shall consist of ~~7~~ 9 members appointed for staggered 5-year terms. Members shall have demonstrated a continuing interest in the problems of providing long-term care for the aged or disabled. ~~At least 4~~ All members shall be public members with no interest in or affiliation with any nursing home. At least 5

20

21

1 members shall be persons aged 65 or older or persons with physical or developmental
2 disabilities or their family members, guardians or other advocates.

3 ***-0400/7.1* SECTION 22.** 15.105 (24) (title) of the statutes is renumbered
4 15.195 (3) (title).

5 ***-0400/7.2* SECTION 23.** 15.105 (24) (a) of the statutes is renumbered 15.195
6 (3) (a) and amended to read:

7 15.195 (3) (a) *Creation.* There is created a national and community service
8 board which is attached to the department of ~~administration~~ health and family
9 services under s. 15.03.

10 ***-0400/7.3* SECTION 24.** 15.105 (24) (b) and (c) (intro.) and 1. to 4. of the
11 statutes are renumbered 15.195 (3) (b) and (c) (intro.) and 1. to 4.

12 ***-0400/7.4* SECTION 25.** 15.105 (24) (c) 4m. of the statutes is renumbered
13 15.195 (3) (c) 4m. and amended to read:

14 15.195 (3) (c) 4m. The secretary of ~~administration~~ health and family services
15 or his or her designee.

16 ***-0400/7.5* SECTION 26.** 15.105 (24) (c) 5. to 10., (d) and (e) of the statutes are
17 renumbered 15.195 (3) (c) 5. to 10., (d) and (e).

18 ***-0247/1.1* SECTION 27.** 15.105 (25) (intro.) of the statutes is amended to read:

19 15.105 (25) TECHNOLOGY FOR EDUCATIONAL ACHIEVEMENT IN WISCONSIN BOARD.
20 (intro.) There is created a technology for educational achievement in Wisconsin
21 board which is attached to the department of administration under s. 15.03. The
22 board shall consist of the state superintendent of public instruction or his or her
23 designee, the secretary of administration or his or her designee and the following
24 members appointed for 4-year terms:

25 ***-1696/7.3* SECTION 28.** 15.105 (25) (bm) of the statutes is amended to read:

1 15.105 (25) (bm) A member of the educational communications board. If the
2 secretary of administration determines that the federal communications
3 commission has approved the transfer of all broadcasting licenses held by the
4 educational communications board and the board of regents of the University of
5 Wisconsin System to the corporation described under s. 39.81, this paragraph does
6 not apply on and after the effective date of the last license transferred [revisor
7 inserts date].

8 *~~-1696/7.4~~* **SECTION 29.** 15.105 (25) (c) of the statutes is amended to read:

9 15.105 (25) (c) Four or, if the secretary of administration determines that the
10 federal communications commission has approved the transfer of all broadcasting
11 licenses held by the educational communications board and the board of regents of
12 the University of Wisconsin System to the corporation described under s. 39.81, on
13 and after the effective date of the last license transferred [revisor inserts date].
14 5 other members.

15 *~~-2005/5.2~~* **SECTION 30.** 15.105 (26) of the statutes is created to read:

16 15.105 (26) GLASS CEILING BOARD. There is created a glass ceiling board which
17 is attached to the department of administration under s. 15.03. The board shall
18 consist of the following members:

19 (a) Two senators and 2 representatives to the assembly, chosen in the same
20 manner that members of standing committees are chosen.

21 (b) Twenty-one other members appointed to serve for 3-year terms, selected in
22 part from persons holding positions in the private sector and in part from persons
23 holding positions in the public sector.

24 *~~-0510/1.1~~* **SECTION 31.** 15.107 (16) (b) 13. of the statutes is amended to read:

25 15.107 (16) (b) 13. ~~Four~~ Five members of the public.

1 ***-1836/2.1* SECTION 32.** 15.183 (2) of the statutes is amended to read:

2 15.183 (2) ~~DIVISION OF SAVINGS AND LOAN INSTITUTIONS.~~ There is created a
3 division of savings ~~and loan~~ institutions. Prior to July 1, 2000, the division is
4 attached to the department of financial institutions under s. 15.03. After June 30,
5 2000, the division is created in the department of financial institutions. The
6 administrator of the division shall be appointed outside the classified service by the
7 secretary of financial institutions and shall serve at the pleasure of the secretary.

8 ***-0030/2.6* SECTION 33.** 15.197 (5) of the statutes is created to read:

9 15.197 (5) COUNCIL ON LONG-TERM CARE. There is created in the department of
10 health and family services a council on long-term care, which shall consist of 15
11 members. *The governor shall designate the chairperson of the*
12 *council on long-term care.*

13 ***-0030/2.7* SECTION 34.** 15.197 (5) of the statutes, as created by 1999
Wisconsin Act (this act), is repealed.

14 ***-0178/2.1* SECTION 35.** 15.197 (12) of the statutes is created to read:

15 15.197 (12) COUNCIL ON BIRTH DEFECT PREVENTION AND SURVEILLANCE. There is
16 created in the department of health and family services a council on birth defect
17 prevention and surveillance. The council shall consist of the following members:

18 (a) A representative of the University of Wisconsin Medical School who has
19 technical expertise in birth defects epidemiology.

20 (b) A representative from the Medical College of Wisconsin who has technical
21 expertise in birth defects epidemiology.

22 (c) A representative from the subunit of the department that is primarily
23 responsible for the administration of public health health programs.

24 (d) A representative from the subunit of the department that is primarily
25 responsible for the administration of the medical assistance program.

1 (e) A representative from the subunit of the department that is primarily
2 responsible for health care information.

3 (f) A representative of the State Medical Society of Wisconsin.

4 (g) A representative of the American Academy of Pediatrics — Wisconsin
5 Chapter.

6 (h) A representative of a nonprofit organization that has as its primary purpose
7 the prevention of birth defects.

8 (j) A parent or guardian of a child with a birth defect.

9 ***-0269/3.1* SECTION 36.** 15.197 (25) (c) of the statutes is amended to read:

10 15.197 (25) (c) This subsection does not apply beginning on July 1, 2001 2002.

11 ***-1922/5.2* SECTION 37.** 15.223 (2) of the statutes is repealed.

12 ***-1922/5.3* SECTION 38.** 15.223 (3) of the statutes is created to read:

13 15.223 (3) DIVISION OF WORKFORCE EXCELLENCE. There is created in the
14 department of workforce development a division of workforce excellence.

15 ***-1922/5.4* SECTION 39.** 15.225 (3) of the statutes is created to read:

16 15.225 (3) GOVERNOR'S WORK-BASED LEARNING BOARD. (a) There is created a
17 governor's work-based learning board which is attached to the department of
18 workforce development under s. 15.03.

19 (b) The governor's work-based learning board shall consist of the following
20 members:

21 1. The governor, who shall serve as chairperson of the board.

22 2. The state superintendent of public instruction.

23 3. The president of the technical college system board.

24 4. The director of the technical college system board.

25 5. The secretary of workforce development.

1 6. The administrator of the division of workforce excellence in the department
2 of workforce development.

3 7. One member who is a representative of organized labor.

4 8. One member who is a representative business and industry.

5 9. One member, who is not a public officer or employee and who does not possess
6 the qualifications of the members under subds. 7. and 8., to represent the interests
7 of the public.

8 (c) The members of the board appointed under par. (b) 7., 8. and 9. shall be
9 appointed by the governor to serve at the pleasure of the governor.

10 ***-1696/7.5*** **SECTION 40.** 15.57 of the statutes is renumbered 15.57 (1).

11 ***-1696/7.6*** **SECTION 41.** 15.57 (2) of the statutes is created to read:

12 15.57 (2) If the secretary of administration determines that the federal
13 communications commission has approved the transfer of all broadcasting licenses
14 held by the educational communications board and the board of regents of the
15 University of Wisconsin System to the corporation described under s. 39.81, this
16 section does not apply on and after the effective date of the last license transferred
17 [revisor inserts date].

18 ***-1516/4.2*** **SECTION 42.** 15.675 of the statutes is renumbered 15.677 and
19 amended to read:

20 **15.677 Same; attached board council.** (1) EDUCATIONAL APPROVAL BOARD
21 COUNCIL. There is created an educational approval ~~board~~ council which is attached
22 to the higher educational aids board under s. 15.03. The ~~board~~ council shall consist
23 of not more than 7 members, who shall be representatives of state agencies and other
24 persons with a demonstrated interest in educational programs, appointed to serve
25 at the pleasure of the governor.

1 ***-0030/2.8* SECTION 43.** 16.009 (2) (p) of the statutes is created to read:

2 16.009 (2) (p) Contract with one or more organizations to provide advocacy
3 services to potential or actual recipients of the family care benefit, as defined in s.
4 46.2805 (4), or their families or guardians. The board and contract organizations
5 under this paragraph shall assist these persons in protecting their rights under all
6 applicable federal statutes and regulations and state statutes and rules. An
7 organization with which the board contracts for these services may not be a provider,
8 nor an affiliate of a provider, of long-term care services, a resource center under s.
9 46.283 or a care management organization under s. 46.284. For potential or actual
10 recipients of the family care benefit, advocacy services required under this
11 paragraph shall include all of the following:

12 1. Providing information, technical assistance and training about how to obtain
13 needed services or support items.

14 2. Providing advice and assistance in preparing and filing complaints,
15 grievances and appeals of complaints or grievances.

16 3. Providing negotiation and mediation.

17 4. Providing individual case advocacy assistance regarding the appropriate
18 interpretation of statutes, rules or regulations.

19 5. Providing individual case advocacy services in administrative hearings and
20 legal representation for judicial proceedings regarding family care services or
21 benefits.

22 ***-0829/1.1* SECTION 44.** 16.0095 of the statutes is repealed.

23 ***-2005/5.3* SECTION 45.** 16.01 (2) (h) of the statutes is created to read:

24 16.01 (2) (h) Provide staffing and other support services to the glass ceiling
25 board, and pay expenses required to operate the board.

1 ***-1618/3.1* SECTION 46.** 16.15 (4) of the statutes is repealed.

2 ***-2005/5.4* SECTION 47.** 16.17 of the statutes is created to read:

3 **16.17 Glass ceiling initiative. (1)** In this section:

4 (a) “Board” means the glass ceiling board.

5 (b) “Glass ceiling” means a formal or informal barrier to full participation of
6 women and minority group members in the management of public and private sector
7 employers.

8 (2) The board shall do all of the following:

9 (a) Administer an annual “Governor’s Glass Ceiling Award Program” to
10 recognize Wisconsin businesses and organizations that advance or promote the
11 advancement of women and minority group members to upper-level management
12 positions.

13 (b) Conduct outreach and provide other resources to disseminate information
14 to employers on glass ceiling issues and effective programs that have helped
15 eliminate barriers to promotion of women and minority group members to
16 upper-level management positions.

17 (c) Identify businesses and industries that provide exceptional opportunities
18 for women and minority group members to advance to upper-level management
19 positions, and, whenever appropriate, promote the expansion of such businesses and
20 industries in this state.

21 (d) Actively promote the appointment of qualified women and minority group
22 members to public and private governing bodies.

23 ***-0400/7.7* SECTION 48.** 16.22 (title), (1) and (2) (intro.) and (a) to (g) of the
24 statutes are renumbered 46.78 (title), (1) and (2) (intro.) and (a) to (g).

1 ***-0400/7.6* SECTION 49.** 16.22 of the statutes, as affected by 1999 Wisconsin
2 Act (this act), is repealed.

3 ***-0400/7.8* SECTION 50.** 16.22 (2) (h) of the statutes is renumbered 46.78 (2)
4 (h) and amended to read:

5 46.78 (2) (h) From the appropriations under s. ~~20.505 (4) (j) and (p)~~ 20.435 (3)
6 (gb) and (p), award grants to persons providing national service programs, giving
7 priority to the greatest extent practicable to persons providing youth corps programs.

8 ***-0400/7.9* SECTION 51.** 16.22 (2) (i) to (k) of the statutes are renumbered
9 46.78 (2) (i) to (k).

10 ***-0400/7.10* SECTION 52.** 16.22 (2) (kL) of the statutes, as created by 1997
11 Wisconsin Act 237, section 4w, is renumbered 16.22 and amended to read:

12 **16.22 Wisconsin promise challenge grants.** From the appropriation under
13 s. 20.505 (4) (1) (fm), award Wisconsin promise challenge grants and provide training
14 and technical assistance under 1997 Wisconsin Act 237, section 9101 (1z) (b) and (h).

15 ***-0400/7.11* SECTION 53.** 16.22 (2) (L) and (3) of the statutes are renumbered
16 46.78 (2) (L) and (3).

17 ***-1806/3.1* SECTION 54.** 16.24 (title) and (1) of the statutes are renumbered
18 14.63 (title) and (1), and 14.63 (1) (b), as renumbered, is amended to read:

19 14.63 (1) (b) "Institution of higher education" means a public or private
20 institution of higher education that is accredited by an accrediting association
21 recognized by the ~~department~~ state treasurer, and a proprietary school approved by
22 the ~~educational approval~~ higher educational aids board under s. 39.51.

****NOTE: This is reconciled s. 16.24 (1) (b). This section has been affected by
LRB-1518 and LRB-1806.

was removed to committee
note

1 ***-1806/3.2* SECTION 55.** 16.24 (2) of the statutes is renumbered 14.63 (2), and
2 14.63 (2) (intro.) and (b), as renumbered, are amended to read:

3 14.63 (2) WEIGHTED AVERAGE TUITION; TUITION UNIT COST. (intro.) Annually, the
4 ~~department~~ state treasurer and the board jointly shall determine all of the following:

5 (b) The price of a tuition unit, which shall be valid for a period determined
6 jointly by the ~~department~~ state treasurer and the board. The price shall be sufficient
7 to ensure the ability of the ~~department~~ state treasurer to meet ~~its~~ his or her
8 obligations under this section. To the extent possible, the price shall be set so that
9 the value of the tuition unit in the anticipated academic year of its use will be equal
10 to 1% of the weighted average tuition for that academic year plus the costs of
11 administering the program under this section attributable to the unit.

12 ***-1806/3.3* SECTION 56.** 16.24 (3) of the statutes is renumbered 14.63 (3), and
13 14.63 (3) (a) (intro.) and (d), as renumbered, are amended to read:

14 14.63 (3) (a) (intro.) The ~~department~~ state treasurer shall contract with an
15 individual, a trust or a legal guardian for the sale of tuition units to that individual,
16 trust or legal guardian if all of the following apply:

17 (d) The ~~department~~ state treasurer shall promulgate rules authorizing a
18 person who has entered into a contract under this subsection to change the
19 beneficiary named in the contract.

20 ***-1806/3.4* SECTION 57.** 16.24 (4) of the statutes is renumbered 14.63 (4) and
21 amended to read:

22 14.63 (4) NUMBER OF TUITION UNITS PURCHASED. A person who enters into a
23 contract under sub. (3) may purchase tuition units at any time and in any number,
24 except that the total number of tuition units purchased on behalf of a single
25 beneficiary may not exceed the number necessary to pay for 4 years of full-time

1 attendance, including mandatory student fees, as a resident undergraduate at the
2 institution within the University of Wisconsin System that has the highest resident
3 undergraduate tuition, as determined by the ~~department~~ state treasurer, in the
4 anticipated academic years of their use.

5 ***-1806/3.5* SECTION 58.** 16.24 (5) of the statutes is renumbered 14.63 (5), and
6 14.63 (5) (a) and (b) (intro.) and 2., as renumbered, are amended to read:

7 14.63 (5) (a) Except as provided in sub. (7m), if an individual named as
8 beneficiary in a contract under sub. (3) attends an institution of higher education in
9 the United States, each tuition unit purchased on his or her behalf entitles that
10 beneficiary to apply toward the payment of tuition and mandatory student fees at the
11 institution an amount equal to 1% of the anticipated weighted average tuition of
12 bachelor's degree-granting institutions within the University of Wisconsin System
13 for the year of attendance, as estimated under sub. (2) in the year in which the tuition
14 unit was purchased.

15 (b) (intro.) Upon request by the beneficiary, the ~~department~~ state treasurer
16 shall pay to the institution in each semester of attendance the lesser of the following:

17 2. An amount equal to the sum of the institution's tuition and mandatory
18 student fees for that semester. T

****NOTE: this is reconciled s. 16.24 (5) (a) and (b) 2. These sections have been
affected by LRB-1806 and LRB-0346. will change component to reconciliation
note

19 ***-1806/3.6* SECTION 59.** 16.24 (6) of the statutes is renumbered 14.63 (6), and
20 14.63 (6) (a) 5. and (b), as renumbered, are amended to read:

21 14.63 (6) (a) 5. Other circumstances determined by the ~~department~~ state
22 treasurer to be grounds for termination.

1 (b) The ~~department~~ state treasurer shall terminate a contract under sub. (3)
2 if any of the tuition units purchased under the contract remain unused 10 years after
3 the anticipated academic year of the beneficiary's initial enrollment in an institution
4 of higher education, as specified in the contract.

5 ~~*-1806/3.7*~~ **SECTION 60.** 16.24 (7) of the statutes is renumbered 14.63 (7), and
6 14.63 (7) (a) (intro.), 3., 4. and 5. and (b), as renumbered, are amended to read:

7 14.63 (7) (a) (intro.) Except as provided in sub. (7m), the ~~department~~ state
8 treasurer shall do all of the following:

9 3. If a contract is terminated under sub. (6) (a) 4. or (b), refund to the person
10 who entered into the contract an amount equal to 99% of the amount determined
11 under subd. 2. ~~If a contract is terminated under sub. (6) (a) 4., the department may~~
12 ~~not issue a refund for one year following receipt of the notice of termination and may~~
13 ~~not issue a refund of more than 100 tuition units in any year.~~

14 4. If a contract is terminated under sub. (6) (a) 5., refund to the person who
15 entered into the contract the amount under subd. 2. or under subd. 3., as determined
16 by the ~~department~~ state treasurer.

17 5. If the beneficiary is awarded a scholarship, tuition waiver or similar subsidy
18 that cannot be converted into cash by the beneficiary, refund to the person who
19 entered into the contract, upon the person's request, an amount equal to the value
20 of the tuition units that are not needed because of the scholarship, waiver or similar
21 subsidy and that would otherwise have been paid by the ~~department~~ state treasurer
22 on behalf of the beneficiary during the semester in which the beneficiary is enrolled.

23 (b) ~~Except as provided under par. (a) 3., the department~~ The state treasurer
24 shall determine the method and schedule for the payment of refunds under this
25 subsection.

****NOTE: This is reconciled s. 16.24 (7) (a) 3. and (b). These sections have been.
affected by LRB-1806 and LRB-0346.

Component
was changed to reconciliation

1 ***-1806/3.8* SECTION 61.** 16.24 (7m) of the statutes is renumbered 14.63 (7m),
2 and 14.63 (7m) (a) (intro.), (b) and (c), as renumbered, are amended to read:

3 14.63 (7m) (a) (intro.) The ~~department~~ state treasurer may adjust the value of
4 a tuition unit based on the actual earnings attributable to the tuition unit less the
5 costs of administering the program under this section that are attributable to the
6 tuition unit if any of the following applies:

7 (b) The ~~department~~ state treasurer may not increase the value of a tuition unit
8 under par. (a) to an amount that exceeds the value of a tuition unit that was
9 purchased at a similar time, held for a similar period and used or refunded in the
10 anticipated academic year of the beneficiary's attendance, as specified in the
11 contract.

12 (c) The ~~department~~ state treasurer may promulgate rules imposing or
13 increasing penalties for refunds under sub. (7) (a) if the ~~department~~ state treasurer
14 determines that such rules are necessary to maintain the status of the program
15 under this section as a qualified state tuition program under section 529 of the
16 Internal Revenue Code, as defined in s. 71.01 (6).

17 ***-1806/3.9* SECTION 62.** 16.24 (8) of the statutes is renumbered 14.63 (8) and
18 amended to read:

19 14.63 (8) EXEMPTION FROM GARNISHMENT, ATTACHMENT AND EXECUTION. Moneys
20 deposited in the tuition trust fund and a beneficiary's right to the payment of tuition
21 and mandatory student fees under this section are not subject to garnishment,
22 attachment, execution or any other process of law.

1 ***-1806/3.10* SECTION 63.** 16.24 (9) to (11) of the statutes are renumbered 14.63
2 (9) to (11), and 14.63 (9), (10), (10m) and (11) (b), as renumbered, are amended to read:

3 14.63 (9) CONTRACT WITH ACTUARY. The ~~department~~ state treasurer shall
4 contract with an actuary or actuarial firm to evaluate annually whether the assets
5 in the tuition trust fund are sufficient to meet the obligations of the ~~department~~ state
6 treasurer under this section and to advise the ~~department~~ state treasurer on setting
7 the price of a tuition unit under sub. (2) (b).

8 (10) REPORTS. (a) Annually, the ~~department~~ state treasurer shall submit a
9 report to the governor, and to the appropriate standing committees of the legislature
10 under s. 13.172 (3), on the program under this section. The report shall include any
11 recommendations for changes to the program that the ~~department~~ state treasurer
12 determines are necessary to ensure the sufficiency of the tuition trust fund to meet
13 the ~~department's~~ state treasurer's obligations under this section.

14 (b) The ~~department~~ state treasurer shall submit a quarterly report to the state
15 investment board projecting the future cash flow needs of the tuition trust fund. The
16 state investment board shall invest moneys held in the tuition trust fund in
17 investments with maturities and liquidity that are appropriate for the needs of the
18 fund as reported by the ~~department~~ state treasurer in its his or her quarterly reports.
19 All income derived from such investments shall be credited to the fund.

20 (10m) REPAYMENT TO GENERAL FUND. The secretary of administration shall
21 transfer from the tuition trust fund to the general fund an amount equal to the
22 amount encumbered from the appropriation under s. ~~20.505 (9)~~ 20.585 (2) (a) when
23 the secretary of administration determines that funds in the tuition trust fund are
24 sufficient to make the transfer. The secretary of administration may make the
25 transfer in instalments.

1 (11)(b) The requirements to pay tuition and mandatory student fees under sub.
2 (5) and to make refunds under sub. (7) are subject to the availability of sufficient
3 assets in the tuition trust fund.

4 ***-1806/3.11* SECTION 64.** 16.24 (12) and (13) of the statutes are renumbered
5 14.63 (12) and (13), and 14.63 (12) (title), (a) (intro.) and (b) (intro.) and (13), as
6 renumbered, are amended to read:

7 14.63 (12) (title) ADDITIONAL DEPARTMENT DUTIES AND POWERS OF THE STATE
8 TREASURER.

9 (a) (intro.) The ~~department~~ state treasurer shall do all of the following:

10 (b) (intro.) The ~~department~~ state treasurer may do any of the following:

11 (13) PROGRAM TERMINATION. If the ~~department~~ state treasurer determines that
12 the program under this section is financially infeasible, the ~~department~~ state
13 treasurer shall discontinue entering into tuition prepayment contracts under sub.
14 (3) and discontinue selling tuition units under sub. (4).

15 ***-1696/7.7* SECTION 65.** 16.25 of the statutes is created to read:

16 **16.25 Emergency weather warning system.** If the secretary determines
17 that the federal communications commission has approved the transfer of all
18 broadcasting licenses held by the educational communications board and the board
19 of regents of the University of Wisconsin System to the corporation described under
20 s. 39.81, on and after the effective date of the last license transferred [revisor
21 inserts date], the department shall operate an emergency weather warning system.

22 ***-0417/2.1* SECTION 66.** 16.339 (2) (a) of the statutes is amended to read:

23 16.339 (2) (a) From the appropriation under s. 20.505 (7) (dm), the department
24 may award a grant ~~that does not exceed \$50,000~~ to an eligible applicant for the

1 purpose of providing transitional housing and associated supportive services to
2 homeless individuals and families if the conditions under par. (b) are satisfied.

3 ***-2105/1.1* SECTION 67.** 16.385 (7) of the statutes is amended to read:

4 16.385 (7) INDIVIDUALS IN STATE PRISONS OR SECURED JUVENILE FACILITIES. No
5 payment under sub. (6) may be made to a prisoner who is imprisoned in a state prison
6 under s. 302.01 or to a person placed at a secured correctional facility, as defined in
7 s. 938.02 (15m), ~~or~~ a secured child caring institution, as defined in s. 938.02 (15g),
8 or a secured group home, as defined in s. 938.02 (15p).

9 ***-1068/4.1* SECTION 68.** 16.417 (2) (f) of the statutes is renumbered 16.417 (2)
10 (f) (intro.) and amended to read:

11 16.417 (2) (f) (intro.) This subsection does not apply to ~~an~~ any of the following:

12 1. An individual other than an elective state official who has a full-time
13 appointment for less than 12 months, during any period of time that is not included
14 in the appointment.

15 ***-1068/4.2* SECTION 69.** 16.417 (2) (f) 2. of the statutes is created to read:

16 16.417 (2) (f) 2. An individual who is a member of the faculty, as defined in s.
17 36.05 (8), or academic staff, as defined in s. 36.05 (1), other than an elective state
18 official, who has a full-time appointment at an institution within the University of
19 Wisconsin System and who holds any other position or is retained in any other
20 capacity by a different institution within the University of Wisconsin System.

21 ***-1139/1.1* SECTION 70.** 16.42 (1) (intro.) of the statutes is amended to read:

22 16.42 (1) (intro.) All agencies, other than the legislature and the courts, ~~no later~~
23 ~~than September 15 of each even-numbered year, before each budget period on the~~
24 date and in the form and content prescribed by the department, shall prepare and

no later than ✓

1 forward to the department and to the legislative fiscal bureau the following program
2 and financial information:

3 ***-1835/2.1* SECTION 71.** 16.50 (5m) of the statutes is amended to read:

4 16.50 (5m) UNIVERSITY INDIRECT COST REIMBURSEMENTS. Subsections (2) to (5)
5 do not apply to expenditures authorized under s. 20.285 (2) (i) 2.

6 ***-0424/1.1* SECTION 72.** 16.501 (title) of the statutes is amended to read:

7 **16.501 (title) Forward Wisconsin, Inc.; funds; report.**

8 ***-0424/1.2* SECTION 73.** 16.501 (3) of the statutes is created to read:

9 16.501 (3) On or before September 1, 2000, and every September 1 thereafter,
10 Forward Wisconsin, Inc., shall submit to the appropriate standing committees under
11 s. 13.172 (3) a report stating the net jobs gain due to the funds provided to Forward
12 Wisconsin, Inc., under s. 20.143 (1) (bm).

13 ***-1679/3.1* SECTION 74.** 16.505 (1) (intro.) of the statutes is amended to read:

14 16.505 (1) (intro.) Except as provided in subs. (2), (2m) ~~and~~, (2n) and (4), no
15 position, as defined in s. 230.03 (11), regardless of funding source or type, may be
16 created or abolished unless authorized by one of the following:

17 ***-1679/3.2* SECTION 75.** 16.505 (4) (b) of the statutes is amended to read:

18 16.505 (4) (b) Except as provided in ~~par. par.~~ (c) and (d), no agency may change
19 the funding source for a position authorized under this section unless the position
20 is authorized to be created under a different funding source in accordance with this
21 section.

22 ***-1679/3.3* SECTION 76.** 16.505 (4) (b) of the statutes, as affected by 1999

23 Wisconsin Act (this act), is amended to read:

24 16.505 (4) (b) Except as provided in ~~pars. par.~~ (c) and (d), no agency may change
25 the funding source for a position authorized under this section unless the position

1 is authorized to be created under a different funding source in accordance with this
2 section.

3 ***-1679/3.4* SECTION 77.** 16.505 (4) (d) of the statutes is created to read:

4 16.505 (4) (d) During the period beginning on the effective date of this
5 paragraph [revisor inserts date], and ending on June 30, 2001, or on the date of
6 publication of the 2001–03 biennial budget act, whichever is later, the department
7 may change the funding source for any position that is funded in whole or in part
8 from program revenues or program revenues–service under any paragraph specified
9 in s. 20.505 (1), (2), (5), (7) or (8) to any other paragraph specified in s. 20.505 (1), (2),
10 (5), (7) or (8) that is funded from program revenues or program revenues–service.
11 Any change in the funding source for a position made under this paragraph remains
12 in effect after the period specified in this paragraph unless changed in accordance
13 with this section. No later than the last day of the month following the completion
14 of each calendar quarter, the secretary of administration shall report to the
15 cochairpersons of the joint committee on finance concerning any positions for which
16 the funding source has been changed under this paragraph during the preceding
17 calendar quarter. The report shall include, for each position, the position type and
18 the previous and current paragraph from which the position is funded.

19 ***-1733/2.1* SECTION 78.** 16.52 (6) (a) of the statutes is amended to read:

20 16.52 (6) (a) Except as authorized in s. ss. 16.74 and 16.745, all purchase
21 orders, contracts, or printing orders for any agency as defined in s. 16.70 (1) shall,
22 before any liability is incurred thereon, be submitted to the secretary for his or her
23 approval as to legality of purpose and sufficiency of appropriated and allotted funds
24 therefor. In all cases the date of ~~the~~ a purchasing contract or order governs the fiscal
25 year to which the contract or order is chargeable, unless the secretary determines

1 that the purpose of the contract or order is to prevent lapsing of appropriations or to
2 otherwise circumvent budgetary intent. Upon Whenever such approval is required,
3 the secretary, upon granting approval, shall immediately encumber all contracts or
4 orders, and indicate the fiscal year to which they are chargeable.

5 ***-1085/4.1* SECTION 79.** 16.528 (3) (f) of the statutes is created to read:

6 16.528 (3) (f) The failure to pay timely due to an occurrence to which s. 893.83
7 applies.

8 ***-0605/3.1* SECTION 80.** 16.54 (2) (a) 2. of the statutes is amended to read:

9 16.54 (2) (a) 2. Whenever a block grant is made to this state under any federal
10 law enacted after August 31, 1995, which authorizes the distribution of block grants
11 for the purposes for which the grant is made, the governor shall not administer and
12 no board, commission or department may encumber or expend moneys received as
13 a part of the grant unless the governor first notifies the cochairpersons of the joint
14 committee on finance, in writing, that the grant has been made. The notice shall
15 contain a description of the purposes proposed by the governor for expenditure of the
16 moneys received as a part of the grant. If the cochairpersons of the committee do not
17 notify the governor that the committee has scheduled a meeting for the purpose of
18 reviewing the proposed expenditure of grant moneys within 14 working days after
19 the date of the governor's notification, the moneys may be expended as proposed by
20 the governor. If, within 14 working days after the date of the governor's notification,
21 the cochairpersons of the committee notify the governor that the committee has
22 scheduled a meeting for the purpose of reviewing the proposed expenditure of grant
23 moneys, no moneys received as a part of the grant may be expended without the
24 approval of the committee. This subdivision does not apply to the expenditure of
25 block grant funds that are allocated under s. 49.175.

1 ***-0607/5.1* SECTION 81.** 16.54 (12) of the statutes is created to read:

2 16.54 (12) (a) The department of health and family services may not expend
3 or encumber any moneys received under s. 20.435 (8) (mm) unless the department
4 of health and family services submits a plan for the expenditure of the moneys to the
5 department of administration and the department of administration approves the
6 plan.

7 (b) The department of workforce development may not expend or encumber any
8 moneys received under s. 20.445 (3) (mm) unless the department of workforce
9 development submits a plan for the expenditure of the moneys to the department of
10 administration and the department of administration approves the plan.

11 (c) The department of administration may approve any plan submitted under
12 par. (a) or (b) in whole or in part. If the department approves any such plan in whole
13 or part, the department shall notify the cochairpersons of the joint committee on
14 finance, in writing, of the department's action under this paragraph.

15 (d) At the end of each fiscal year, the department of administration shall
16 determine the amount of moneys that remain in the appropriation accounts under
17 ss. 20.435 (8) (mm) and 20.445 (3) (mm) that have not been approved for
18 encumbrance or expenditure by the department pursuant to a plan submitted under
19 par. (a) or (b) and shall require that such moneys be lapsed to the general fund. The
20 department shall notify the cochairpersons of the joint committee on finance, in
21 writing, of the department's action under this paragraph.

22 ***-1781/3.1* SECTION 82.** 16.62 (2) of the statutes is amended to read:

23 16.62 (2) The department may establish user charges for records storage and
24 retrieval services, with any moneys collected to be credited to the appropriation

1 account under s. 20.505 (1) (im) or ~~(kd)~~ (ka). Such charges shall be structured to
2 encourage efficient utilization of the services.

3 ***-1781/3.2* SECTION 83.** 16.62 (3) of the statutes is amended to read:

4 16.62 (3) The department may establish user fees for the services of the public
5 records board. Any moneys collected shall be credited to the appropriation account
6 under s. 20.505 (1) ~~(kd)~~ (ka).

7 ***-1733/2.2* SECTION 84.** 16.71 (1) of the statutes is amended to read:

8 16.71 (1) Except as otherwise required under this section or as authorized in
9 ~~s. ss. 16.74 and 16.745~~, the department shall purchase and may delegate to special
10 designated agents the authority to purchase all necessary materials, supplies,
11 equipment, all other permanent personal property and miscellaneous capital, and
12 contractual services and all other expense of a consumable nature for all agencies.
13 In making any delegation, the department shall require the agent to adhere to all
14 requirements imposed upon the department in making purchases under this
15 subchapter. All materials, services and other things and expense furnished to any
16 agency and interest paid under s. 16.528 shall be charged to the proper appropriation
17 of the agency to which furnished.

18 ***-1733/2.3* SECTION 85.** 16.72 (4) (a) of the statutes is amended to read:

19 16.72 (4) (a) Except as provided in ~~s. ss. 16.74 and 16.745~~ or as otherwise
20 provided in this subchapter and the rules promulgated under s. 16.74 and this
21 subchapter, all supplies, materials, equipment and contractual services shall be
22 purchased for and furnished to any agency only upon requisition to the department.
23 The department shall prescribe the form, contents, number and disposition of
24 requisitions and shall promulgate rules as to time and manner of submitting such
25 requisitions for processing. No agency or officer may engage any person to perform

1 contractual services without the specific prior approval of the department for each
2 such engagement. Purchases of supplies, materials, equipment or contractual
3 services by the investment board or by the legislature, the courts or legislative
4 service or judicial branch agencies do not require approval under this paragraph.

5 ***-1618/3.2* SECTION 86.** 16.72 (6) and (7) of the statutes are repealed.

6 ***-1733/2.4* SECTION 87.** 16.745 of the statutes is created to read:

7 **16.745 Investment board purchasing. (1)** The investment board may place
8 requisitions and enter into contracts for the purchase of any materials, supplies,
9 equipment or services required by the board. The investment board shall maintain
10 copies of all purchasing requisitions and contracts, and shall permit inspection and
11 copying of the requisitions and contracts under subch. II of ch. 19. No such
12 requisition or contract need be filed with the department.

13 **(2)** The investment board shall file all bills and statements for purchases and
14 engagements made by the board with the secretary, who shall audit and authorize
15 payment of all lawful bills and statements. No bill or statement for any purchase or
16 engagement for the investment board may be paid until the bill or statement is
17 approved by the board.

18 **(3)** The department, upon request, shall make recommendations and furnish
19 assistance to the investment board regarding purchasing procedure. The
20 department, upon request, shall process requisitions for purchases submitted by the
21 investment board and shall procure materials, supplies, equipment, property and
22 services for the board in accordance with the purchasing procedure prescribed for
23 executive branch agencies under this subchapter.

24 **(4)** All stationery and printing purchased by the investment board shall be
25 procured from the lowest responsible bidder.

1 ***-1733/2.5* SECTION 88.** 16.75 (1) (a) 2. of the statutes is amended to read:

2 16.75 (1) (a) 2. If a vendor is not a Wisconsin producer, distributor, supplier or
3 retailer and the department determines that the state, foreign nation or subdivision
4 thereof in which the vendor is domiciled grants a preference to vendors domiciled in
5 that state, nation or subdivision in making governmental purchases, the department
6 and any agency making purchases under s. 16.74 or 16.745 shall give a preference
7 over that vendor to Wisconsin producers, distributors, suppliers and retailers, if any,
8 when awarding the order or contract. The department may enter into agreements
9 with states, foreign nations and subdivisions thereof for the purpose of implementing
10 this subdivision.

11 ***-1733/2.6* SECTION 89.** 16.75 (3m) (b) of the statutes is amended to read:

12 16.75 (3m) (b) The department and any agency making purchases under s.
13 16.74 or 16.745 shall attempt to ensure that 5% of the total amount expended under
14 this subchapter in each fiscal year is paid to minority businesses. Except as provided
15 under sub. (7), the department may purchase materials, supplies, equipment and
16 contractual services from any minority business submitting a qualified responsible
17 competitive bid that is no more than 5% higher than the apparent low bid or
18 competitive proposal that is no more than 5% higher than the most advantageous
19 offer. In administering the preference for minority businesses established in this
20 paragraph, the department and any agency making purchases under s. 16.74 or
21 16.745 shall maximize the use of minority businesses which are incorporated under
22 ch. 180 or which have their principal place of business in this state.

23 ***-1733/2.7* SECTION 90.** 16.75 (8) (a) 1. of the statutes is amended to read:

24 16.75 (8) (a) 1. The department, any other designated purchasing agent under
25 s. 16.71 (1), any agency making purchases under s. 16.74 or 16.745 and each

1 authority other than the University of Wisconsin Hospitals and Clinics Authority
2 shall, to the extent practicable, make purchasing selections using specifications
3 developed under s. 16.72 (2) (e) to maximize the purchase of materials utilizing
4 recycled materials and recovered materials.

5 ***-1733/2.8* SECTION 91.** 16.75 (9) of the statutes is amended to read:

6 16.75 (9) The department, any other designated purchasing agent under s.
7 16.71 (1), any agency making purchases under s. 16.74 or 16.745 and any authority
8 other than the University of Wisconsin Hospitals and Clinics Authority shall, to the
9 extent practicable, make purchasing selections using specifications prepared under
10 s. 16.72 (2) (f).

11 ***-0362/2.1* SECTION 92.** 16.752 (12) (a) of the statutes is amended to read:

12 16.752 (12) (a) Except as provided in pars. (c), (d), (h) ~~and~~, (i) and (j) and as
13 authorized under sub. (13), agencies shall obtain materials, supplies, equipment and
14 services on the list maintained by the board under sub. (2) (g).

15 ***-0362/2.2* SECTION 93.** 16.752 (12) (j) of the statutes is created to read:

16 16.752 (12) (j) The secretary may, upon request of an agency, waive compliance
17 with par. (a) with respect to any purchase to be made by or for that agency if the
18 secretary determines that compliance with par. (a) would contravene competitive
19 requirements under federal law or regulations applicable to that purchase.

20 ***-1733/2.9* SECTION 94.** 16.76 (1) of the statutes is amended to read:

21 16.76 (1) All contracts for materials, supplies, equipment or contractual
22 services to be provided to any agency shall run to the state of Wisconsin. Such
23 contracts shall be signed by the secretary or an individual authorized by the
24 secretary, except that contracts entered into by the investment board shall be signed
25 by an individual authorized by the board and contracts entered into directly by the

1 legislature, the courts or a legislative service or judicial branch agency shall be
2 signed by an individual authorized under s. 16.74 (2) (b).

3 ***-1495/4.1* SECTION 95.** 16.76 (4) (a) of the statutes is amended to read:

4 16.76 (4) (a) In this subsection, “master lease” means an agreement entered
5 into by the department ~~on behalf of one or more agencies for the lease of goods or the~~
6 ~~provision of to obtain property or~~ services under which the department makes or
7 agrees to make periodic payments.

8 (ag) The department may act on behalf of one or more agencies or
9 municipalities. The department may pay or agree to pay ~~to the lessor under a master~~
10 lease a sum substantially equivalent to or in excess of the aggregate value of goods
11 ~~involved~~ property or services obtained and it may be agreed that the department or
12 one or more agencies or municipalities will become, or for no other or nominal
13 consideration has the option to become, the owner of ~~goods leased or to be leased~~
14 property obtained or to be obtained under a master lease upon full compliance with
15 ~~the its terms of the agreement.~~

16 ***-1495/4.2* SECTION 96.** 16.76 (4) (ar) of the statutes is created to read:

17 16.76 (4) (ar) Any master lease entered into by the department on behalf of a
18 municipality under this subsection may be used only to obtain property or services
19 related to public safety functions of the municipality. The department shall enter
20 into an instalment sales contract with a municipality with respect to any property
21 or services obtained by the municipality under a master lease. The municipality
22 shall issue a general obligation promissory note to the department as security for any
23 such property or services obtained or to be obtained.

24 ***-1495/4.3* SECTION 97.** 16.76 (4) (b) of the statutes is amended to read:

1 16.76 (4) (b) ~~The~~ Except as provided in par. (h), the department may enter into
2 a master lease whenever the department determines that it is advantageous to the
3 state to do so. If the master lease provides for payments to be made by the state from
4 moneys that have not been appropriated at the time that the master lease is entered
5 into, the master lease shall contain the statement required under s. 16.75 (3).

6 *~~1495/4.4~~* **SECTION 98.** 16.76 (4) (c) of the statutes is amended to read:

7 16.76 (4) (c) Payments under a master lease may include interest payable at
8 a fixed or variable rate as the master lease may provide. The department may enter
9 into agreements and ancillary arrangements which the department determines to
10 be necessary to facilitate the use of a master lease, ~~including liquidity facilities,~~
11 ~~remarketing or dealer agreements, letter of credit agreements, insurance policies,~~
12 ~~interest rate guaranty agreements, reimbursement agreements and indexing~~
13 ~~agreements.~~

14 *~~1495/4.5~~* **SECTION 99.** 16.76 (4) (e) of the statutes is amended to read:

15 16.76 (4) (e) The department may grant ~~the lessor~~ a perfected security interest
16 in ~~goods leased~~ property obtained or to be ~~leased~~ obtained under ~~each~~ a master lease.
17 The department shall record and preserve evidence of the security interest in its
18 offices at all times during which the master lease is in effect.

19 *~~1495/4.6~~* **SECTION 100.** 16.76 (4) (f) of the statutes is amended to read:

20 16.76 (4) (f) The department may appoint one or more fiscal agents for each
21 master lease. Each fiscal agent shall be an incorporated bank or trust company
22 authorized by the laws of the United States or of the state in which it is located to
23 do business as a banking or trust company. ~~Sections 16.705 and 16.75 do not apply~~
24 ~~to contracts for fiscal agent services.~~ The department shall periodically require
25 competitive proposals, under procedures established by the department, for fiscal

1 agent services under this paragraph. There may be deposited with a fiscal agent, in
2 a special account for such purpose only, a sum estimated to be sufficient to enable the
3 fiscal agent to make all payments which will come due under the master lease not
4 more than 15 days after the date of deposit. The department may make such other
5 provisions respecting fiscal agents as it considers necessary or useful and may enter
6 into a contract with any fiscal agent containing such terms, including compensation,
7 and conditions in regard to the fiscal agent as it considers necessary or useful.

8 ***-1495/4.7* SECTION 101.** 16.76 (4) (g) of the statutes is created to read:

9 16.76 (4) (g) Sections 16.705 and 16.75 do not apply to agreements or ancillary
10 agreements under par. (c) or contracts for fiscal agent services under par. (f).

11 ***-1495/4.8* SECTION 102.** 16.76 (4) (h) of the statutes is created to read:

12 16.76 (4) (h) A master lease may not be used to obtain a facility for use or
13 occupancy by the state or an agency or instrumentality of the state or to obtain an
14 internal improvement.

15 ***-1495/4.9* SECTION 103.** 16.76 (4) (i) of the statutes is created to read:

16 16.76 (4) (i) A master lease may not provide that the right of the department
17 or any other agency to obtain property or services under the lease depends on
18 payments to be made by a municipality for property or services obtained by the
19 municipality under the lease unless the obligation of the municipality to make those
20 payments constitutes a general obligation.

21 ***-1495/4.10* SECTION 104.** 16.76 (4) (j) of the statutes is created to read:

22 16.76 (4) (j) If a master lease is used to finance payments to be made under an
23 energy conservation construction project as provided in s. 16.858 (2), payments
24 under the lease may not be conditioned upon any payment required to be made by
25 the contractor pursuant to an energy conservation audit.

1 ***-1733/2.10* SECTION 105.** 16.77 (1) of the statutes is amended to read:

2 16.77 (1) No bill or statement for work or labor performed under purchase
3 orders or contracts issued by the secretary or the secretary's designated agents, and
4 no bill or statement for supplies, materials, equipment or contractual services
5 purchased for and delivered to any agency may be paid until the bill or statement is
6 approved through a preaudit or postaudit process determined by the secretary. This
7 subsection does not apply to purchases made by the investment board or to purchases
8 made directly by the courts, the legislature or a legislative service or judicial branch
9 agency under s. 16.74.

10 ***-1733/2.11* SECTION 106.** 16.78 (1) of the statutes is amended to read:

11 16.78 (1) Every agency other than the board of regents of the university of
12 Wisconsin system or an agency making purchases under s. 16.74 or 16.745 shall
13 purchase all computer services from the division of information technology services
14 in the department ~~of administration~~, unless the division grants written
15 authorization to the agency to procure the services under s. 16.75 (1), to purchase the
16 services from another agency or to provide the services to itself. The board of regents
17 of the university of Wisconsin system may purchase computer services from the
18 division of information technology services.

19 ***-1781/3.3* SECTION 107.** 16.84 (14) of the statutes is amended to read:

20 16.84 (14) Provide interagency mail delivery service for agencies, as defined
21 in s. 16.70 (1). The department may charge agencies for this service. Any moneys
22 collected shall be credited to the appropriation account under s. 20.505 (1) ~~(kd)~~ (ka).

23 ***-1495/4.11* SECTION 108.** 16.858 (2) of the statutes is renumbered 16.858 (2)

24 (a) and amended to read:

1 16.858 (2) (a) ~~Any A~~ contract under sub. (1) ~~shall require~~ may provide for the
2 construction work to be financed by the state or by the contractor to undertake the
3 ~~construction work at its own expense.~~ The contract shall provide for the state to pay
4 a ~~maximum~~ stated amount, which shall include any financing costs incurred by the
5 contractor. The ~~maximum~~ stated amount may not exceed the minimum savings
6 determined under the audit to be realized by the state within the period specified in
7 the audit. The state shall make payments under the contract as the savings
8 identified in the audit are realized by the state, in the amounts actually realized, but
9 not to exceed the lesser of the ~~maximum~~ stated amount or the actual amount of the
10 savings realized by the state within the period specified in the audit. If the
11 department provides financing for construction work, the department may finance
12 any portion of the cost of the work under a master lease entered into as provided
13 under s. 16.76 (4). If the department provides financing for the construction work
14 and the stated amount to be paid by the state under the contract is greater than the
15 amount of the savings realized by the state within the period specified in the audit
16 under sub. (1), the contract shall require the contractor to remit the difference to the
17 department.

18 (b) The department shall charge the cost of the payments made by the state to
19 the contractor to the applicable appropriation for fuel and utility costs at the
20 building, structure or facility where the work is performed in the amounts equivalent
21 to the savings that accrue to the state under that appropriation from expenditures
22 not made as a result of the construction work, as determined by the department in
23 accordance with the contract. The department may also charge its costs for
24 negotiation ~~and~~, administration and financing of the contract to the same
25 appropriation.

1 ***-1495/4.12* SECTION 109.** 16.858 (4) of the statutes is amended to read:

2 16.858 (4) No later than January 1 of each year, the secretary shall report to
3 the cochairpersons of the joint committee on finance identifying any construction
4 work for which the department has contracted under this section for which ~~the state~~
5 ~~has not made its final payment~~ has not been made as of the date of the preceding
6 report, together with the actual energy cost savings realized by the state as a result
7 of the contract to date, or the estimated energy cost savings to be realized by the state
8 if the total savings to be realized in the audit under sub. (1) have not yet been
9 realized, ~~and the date on which the state made its final payment under the contract~~
10 or, if the final payment has not been made, the latest date on which the state is
11 obligated to make its final payment under the contract, and any amount that
12 remains payable to the state under the contract.

13 ***-1306/3.1* SECTION 110.** 16.952 of the statutes is created to read:

14 **16.952 Planning grants to local governmental units.** (1) In this section,
15 “local governmental unit” means a county, city, village, town or regional planning
16 commission.

17 (2) From the appropriation under s. 20.505 (1) (z), the department may provide
18 grants to local governmental units to be used to finance the cost of planning
19 activities, including contracting for planning consultant services, public planning
20 sessions and other planning outreach and educational activities, or for the purchase
21 of computerized planning data, planning software or the hardware required to
22 utilize that data or software. The department shall require any local governmental
23 unit that receives a grant under this section to finance at least 20% of the cost of the
24 product or service to be funded by the grant from the resources of the local
25 governmental unit. Prior to awarding a grant under this section, the department

1 shall forward a detailed statement of the proposed expenditures to be made under
2 the grant to the secretary of transportation and obtain his or her written approval
3 of the proposed expenditures.

4 ***-1623/1.1* SECTION 111.** 16.956 of the statutes is repealed.

5 ***-1413/3.1* SECTION 112.** 16.964 (6) of the statutes is created to read:

6 16.964 (6) (a) In this subsection, “tribe” means a federally recognized American
7 Indian tribe or band in this state.

8 (b) From the appropriation under s. 20.505 (6) (ks), the office shall provide
9 grants to tribes to fund tribal law enforcement operations. To be eligible for a grant
10 under this subsection, a tribe must submit an application for a grant to the office that
11 includes a proposed plan for expenditure of the grant moneys. The office shall review
12 any application and plan submitted to determine whether that application and plan
13 meet the criteria established under par. (b). The office shall review the use of grant
14 money provided under this subsection to ensure that the money is used according to
15 the approved plan.

16 (c) The office shall develop criteria and procedures for use in administering this
17 subsection. Notwithstanding s. 227.10 (1), the criteria need not be promulgated as
18 rules under ch. 227.

19 ***-1254/5.1* SECTION 113.** 16.966 (3) of the statutes is amended to read:

20 16.966 (3) The department shall develop and maintain a computer-based
21 Wisconsin land information system and may develop and maintain other geographic
22 information systems relating to land in this state for the use of governmental and
23 nongovernmental units. In conjunction with the land information system, the
24 department may conduct soil surveys and soil mapping activities.

25 ***-1254/5.2* SECTION 114.** 16.966 (5) and (6) of the statutes are created to read:

1 16.966 (5) The department may assess any state agency for any amount that
2 it determines to be required to conduct soil surveys and soil mapping activities. For
3 this purpose, the department may assess state agencies on a premium basis and pay
4 costs incurred on an actual basis. The department shall credit all moneys received
5 from state agencies under this subsection to the appropriation account under s.
6 20.505 (1) (kt).

7 (6) The department may contract with the board of commissioners of public
8 lands to perform soil surveys and soil mapping activities on lands under the
9 jurisdiction of that board.

****NOTE: This SECTION assumes incorporation of LRB-1838 into the budget bill.
If LRB-1838 is not incorporated, this SECTION must be deleted.

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10 *-1254/5.3* SECTION 115. 16.967 (3) (intro.) of the statutes is amended to read:
11 16.967 (3) BOARD DUTIES. (intro.) The Except as otherwise provided in s. 16.966
12 (3), the board shall direct and supervise the land information program and serve as
13 the state clearinghouse for access to land information. In addition, the board shall:

14 *-1254/5.4* SECTION 116. 16.967 (5) of the statutes is repealed.

15 *-1265/7.1* SECTION 117. 16.971 (9) of the statutes is amended to read:

16 16.971 (9) In conjunction with the public defender board, the director of state
17 courts, the departments of corrections and justice and district attorneys, the division
18 may maintain, promote and coordinate automated justice information systems that
19 are compatible among counties and the officers and agencies specified in this
20 subsection, using the moneys appropriated under s. 20.505 (1) (ja) ~~and~~, (kp) and (kq).
21 The division shall annually report to the legislature under s. 13.172 (2) concerning
22 the division's efforts to improve and increase the efficiency of integration of justice
23 information systems.

1 ***-0250/4.1* SECTION 118.** 16.974 (7) of the statutes is amended to read:

2 16.974 (7) (a) ~~Subject to s. 196.218 (4r) (f), coordinate~~ Coordinate with the
3 technology for educational achievement in Wisconsin board to provide school
4 districts, and cooperative educational service agencies and technical college districts
5 with telecommunications access under s. ~~196.218 (4r)~~ 44.73 and contract with
6 telecommunications providers to provide such access.

 ***NOTE: This is reconciled s. 16.974 (7) (a). This SECTION has been affected by
drafts with the following LRB numbers: LRB-1505/3 and LRB-0250/3.

7 (b) ~~Coordinate~~ Subject to s. 44.73 (5), coordinate with the technology for
8 educational achievement in Wisconsin board to provide private colleges ~~and,~~
9 technical college districts, public library boards and public library systems with
10 telecommunications access under s. ~~196.218 (4r)~~ 44.73 and contract with
11 telecommunications providers to provide such access.

 ***NOTE: This is reconciled s. 16.974 (7) (b). This SECTION has been affected by
drafts with the following LRB numbers: LRB-1505/3, LRB-1506/2 and LRB-0250/3.

12 (c) Coordinate with the technology for educational achievement in Wisconsin
13 board to provide private schools with telecommunications access under s. ~~196.218~~
14 ~~(4r)~~ 44.73 and contract with telecommunications providers to provide such access.

15 ***-1507/3.1* SECTION 119.** 16.974 (7) (d) of the statutes is created to read:

16 16.974 (7) (d) Coordinate with the technology for educational achievement in
17 Wisconsin board to provide the Wisconsin School for the Visually Handicapped and
18 the Wisconsin School for the Deaf with telecommunications access under s. 44.73 (5)
19 and contract with telecommunications providers to provide such access.

 ***NOTE: This is reconciled s. 16.974 (7) (d). This SECTION has been affected by
drafts with the following LRB numbers: LRB-0250/3.

20 ***-0030/2.9* SECTION 120.** 17.13 (intro.) of the statutes is amended to read:

1 **17.13 Removal of village, town, town sanitary district, school district**
2 **and, technical college and family care district officers.** (intro.) Officers of
3 towns, town sanitary districts, villages, school districts ~~and, technical college~~
4 ~~districts and family care districts~~ may be removed as follows:

5 ***-0030/2.10* SECTION 121.** 17.13 (4) of the statutes is created to read:

6 17.13 (4) APPOINTIVE OFFICERS OF A FAMILY CARE DISTRICT. Any member of a
7 family care district board appointed under s. 46.2895 (3) (a) 1., by the appointing
8 authority for cause.

9 ***-0030/2.11* SECTION 122.** 17.15 (5) of the statutes is created to read:

10 17.15 (5) FAMILY CARE DISTRICT. Any member of a family care district governing
11 board appointed under s. 46.2895 (3) (a) 2. may be removed by the appointing
12 authority for cause.

13 ***-0030/2.12* SECTION 123.** 17.27 (3m) of the statutes is created to read:

14 17.27 (3m) FAMILY CARE DISTRICT BOARD. If a vacancy occurs in the position of
15 any appointed member of a family care district board, the appointing authority shall
16 ~~fill the position with~~ a person who meets the applicable requirements under s.
17 46.2895 (3) (b). *appoint to serve for the residue of the unexpired term*

18 ***-1432/7.1* SECTION 124.** 18.51 of the statutes is amended to read:

19 **18.51 Provisions applicable.** The following sections apply to this
20 subchapter, except that all references to “public debt” or “debt” are deemed shall be
21 read to refer to a “revenue obligation” and all references to “evidences of
22 indebtedness” shall be read to refer to “evidences of revenue obligations”: ss. 18.02,
23 18.03, 18.06 (8), 18.07, 18.10 (1), (2), (4) to (9) and (11) and 18.17.

24 ***-1432/7.2* SECTION 125.** 18.52 (2m) (intro.) of the statutes is created to read:

1 18.52 (2m) (intro.) “Enterprise obligation” means every undertaking by the
2 state to repay a certain amount of borrowed money that is all of the following:

3 *–1432/7.3* **SECTION 126.** 18.52 (5) (intro.) of the statutes is renumbered 18.52
4 (5) and amended to read:

5 18.52 (5) “Revenue obligation” means ~~every undertaking by the state to repay~~
6 ~~a certain amount of borrowed money which is:~~ an enterprise obligation or a special
7 fund obligation. A revenue obligation may be both an enterprise obligation and a
8 special fund obligation.

9 *–1432/7.4* **SECTION 127.** 18.52 (5) (a) of the statutes is renumbered 18.52 (2m)
10 (a) and amended to read:

11 18.52 (2m) (a) Created for the purpose of purchasing, acquiring, leasing,
12 constructing, extending, expanding, adding to, improving, conducting, controlling,
13 operating or managing a revenue-producing enterprise or program;

14 *–1432/7.5* **SECTION 128.** 18.52 (5) (b) of the statutes is renumbered 18.52 (2m)
15 (b) and amended to read:

16 18.52 (2m) (b) Payable ~~selely~~ from and secured ~~selely~~ by the property or income
17 or both of the enterprise or program; ~~and~~.

18 *–1432/7.6* **SECTION 129.** 18.52 (5) (c) of the statutes is renumbered 18.52 (2m)
19 (c).

20 *–1432/7.7* **SECTION 130.** 18.52 (7) of the statutes is created to read:

21 18.52 (7) “Special fund obligation” means every undertaking by the state to
22 repay a certain amount of borrowed money which is all of the following:

23 (a) Payable from a special fund consisting of fees, penalties or excise taxes.

24 (b) Not public debt under s. 18.01 (4).

25 *–1432/7.8* **SECTION 131.** 18.52 (8) of the statutes is created to read:

SECTION 131

1 18.52 (8) “Special fund program” means a state program or purpose with
2 respect to which the legislature has determined that financing with special fund
3 obligations is appropriate and will serve a public purpose.

4 ***-1432/7.9* SECTION 132.** 18.53 (3) of the statutes is renumbered 18.53 (3)
5 (intro.) and amended to read:

6 18.53 (3) (intro.) The commission shall authorize money to be borrowed and
7 evidences of revenue obligation to be issued ~~therefor up to the amounts specified by~~
8 ~~the legislature to purchase, acquire, lease, construct, extend, expand, add to,~~
9 ~~improve, conduct, control, operate or manage such revenue-producing enterprises~~
10 ~~or programs as are specified by the legislature as the funds are required.~~ The
11 requirements for funds shall be established by the state department or agency head
12 carrying out program responsibilities for which the revenue obligations have been
13 authorized by the legislature, but shall not exceed the following:

14 ***-1432/7.10* SECTION 133.** 18.53 (3) (a) and (b) of the statutes are created to
15 read:

16 18.53 (3) (a) In the case of enterprise obligations, the amounts specified by the
17 legislature to purchase, acquire, lease, construct, extend, expand, add to, improve,
18 conduct, control, operate or manage such revenue-producing enterprises or
19 programs as are specified by the legislature.

20 (b) In the case of special fund obligations, the amount specified by the
21 legislature for such expenditures to be paid from special fund obligations.

22 ***-1432/7.11* SECTION 134.** 18.56 (1) of the statutes is renumbered 18.56 and
23 amended to read:

24 **18.56 Revenue bonds obligations.** The commission may authorize, for any
25 of the purposes described in s. 18.53 (3), the issuance of ~~revenue obligation bonds~~

1 revenue obligations. The ~~bonds~~ revenue obligations shall mature at any time not
2 exceeding 50 years from the date thereof as the commission shall determine. The
3 ~~bonds~~ revenue obligations shall be payable only out of the redemption fund provided
4 under sub. s. 18.561 (5) or 18.562 (3) and each ~~bond~~ revenue obligation shall contain
5 on its face a statement to that effect. Any such ~~bonds~~ A revenue obligation may
6 contain a provision authorizing redemption, in whole or in part, at stipulated prices,
7 at the option of the commission and shall provide the method of redeeming the ~~bonds~~.
8 ~~The state and a contracting party may provide in any contract for purchasing or~~
9 ~~acquiring a revenue-producing enterprise or program, that payment shall be made~~
10 ~~in such bonds~~ revenue obligations.

11 *~~1432/7.12~~* SECTION 135. 18.56 (2) to (6) of the statutes are renumbered
12 18.561 (2) to (6) and amended to read:

13 18.561 (2) SECURITY INTERESTS OF OWNERS OF ENTERPRISE OBLIGATIONS. There
14 ~~shall be is~~ a mortgage lien upon or security interest in the income and property of
15 each revenue-producing enterprise or program ~~to~~ for the benefit of the holders
16 owners of the related bonds ~~and to the holders of the coupons of the bonds~~. The note
17 ~~or other instrument evidencing the security interest of a bondholder in a loan made~~
18 ~~or purchased with revenue obligation bonds shall constitute a statutory lien on the~~
19 revenue enterprise obligations. No physical delivery, recordation or other action is
20 required to perfect the security interest. The income and property of the
21 revenue-producing enterprise or program shall remain subject to the lien until
22 provision for payment in full of the principal and interest of the ~~bonds~~ enterprise
23 obligations has been made, as provided in the authorizing resolution. Any holder
24 owner of such ~~bonds or attached coupons~~ enterprise obligations may either at law or
25 in equity protect and enforce the lien and compel performance of all duties required

1 by this section. If there is any default in the payment of the principal or interest of
2 any of such ~~bonds~~ enterprise obligations, any court having jurisdiction of the action
3 may appoint a receiver to administer the revenue-producing enterprise or program
4 on behalf of the state and the ~~bondholders~~ owners of the enterprise obligations, with
5 power to charge and collect rates sufficient to provide for the payment of the
6 operating expenses and also to pay any ~~bonds or~~ enterprise obligations outstanding
7 against the revenue-producing enterprise or program, and to apply the income and
8 revenues thereof in conformity with this subchapter and the authorizing resolution,
9 or the court may declare the whole amount of the ~~bonds~~ enterprise obligations due
10 and payable, if such relief is requested, and may order and direct the sale of the
11 revenue-producing enterprise or program. Under any sale so ordered, the purchaser
12 shall be vested with an indeterminate permit to maintain and operate the
13 revenue-producing enterprise or program. The legislature may provide for
14 additions, extensions and improvements to a revenue-producing enterprise or
15 program to be financed by additional issues of ~~bonds~~ enterprise obligations as
16 provided by this section. Such additional issues of ~~bonds~~ enterprise obligations shall
17 be subordinate to all prior related issues of ~~bonds~~ enterprise obligations which may
18 have been made under this section, unless the legislature, in the statute authorizing
19 the initial issue of ~~bonds~~ enterprise obligations, permits the issue of additional ~~bonds~~
20 enterprise obligations on a parity therewith.

21 (3) DEDICATION OF REVENUES. As accurately as possible in advance, the
22 commission and the state department or agency carrying out program
23 responsibilities for which ~~bonds~~ enterprise obligations are to be issued shall
24 determine, and the commission shall fix in the authorizing resolution for such ~~bonds~~
25 enterprise obligations: the proportion of the revenues of the revenue-producing

1 enterprise or program which shall be necessary for the reasonable and proper
2 operation and maintenance thereof; the proportion of the revenues which shall be set
3 aside as a proper and adequate replacement and reserve fund; and the proportion of
4 the revenues which shall be set aside and applied to the payment of the principal and
5 interest of the bonds enterprise obligations, and shall provide that the revenues be
6 set aside in separate funds. At any time after one year's operation, the state
7 department or agency and the commission may recompute the proportion of the
8 revenues which shall be assignable under this subsection based upon the experience
9 of operation or upon the basis of further financing.

10 (4) REPLACEMENT AND RESERVE FUND. The proportion set aside to the
11 replacement and reserve fund shall be available and shall be used, whenever
12 necessary, to restore any deficiency in the redemption fund for the payment of the
13 principal and interest due on bonds enterprise obligations and for the creation and
14 maintenance of any reserves established by the authorizing resolution to secure such
15 payments. At any time when the redemption fund is sufficient for said purposes,
16 moneys in the replacement and reserve fund may, subject to available
17 appropriations, be expended either in the revenue-producing enterprise or program
18 or in new acquisitions, constructions, extensions ~~or~~, additions, expansions or
19 improvements. Any accumulations of the replacement and reserve fund may be
20 invested as provided in this subchapter, and if invested, the income from the
21 investment shall be carried in the replacement and reserve fund.

22 (5) REDEMPTION FUND. The proportion which shall be set aside for the payment
23 of the principal and interest ~~of such bonds~~ on the enterprise obligations shall from
24 month to month as they accrue and are received, be set apart and paid into a separate
25 fund in the treasury or in an account maintained by a trustee under sub. (9) (j) to be

1 identified as “the ... redemption fund”. Each redemption fund shall be expended, and
2 all moneys from time to time on hand therein are irrevocably appropriated, in sums
3 sufficient, only for the payment of principal and interest on the ~~revenue~~ enterprise
4 obligations giving rise to it and premium, if any, due upon ~~refunding~~ redemption of
5 any such obligations. Moneys in the redemption funds may be commingled only for
6 the purpose of investment with other public funds, but they shall be invested only
7 in investment instruments permitted in s. 25.17 (3) (dr). All such investments shall
8 be the exclusive property of the fund and all earnings on or income from such
9 investments shall be credited to the fund.

10 (6) REDEMPTION FUND SURPLUS. If any surplus is accumulated in any of the
11 redemption funds, subject to any contract rights vested in ~~holders~~ owners of ~~revenue~~
12 enterprise obligations secured thereby, it shall be paid over to the treasury.

13 *-1432/7.13* SECTION 136. 18.56 (7) and (8) of the statutes are renumbered
14 18.561 (7) and (8).

15 *-1432/7.14* SECTION 137. 18.56 (9) (intro.) of the statutes is renumbered
16 18.561 (9) (intro.) and amended to read:

17 18.561 (9) AUTHORIZING RESOLUTION. (intro.) The commission may provide in
18 the authorizing resolution for ~~bonds~~ enterprise obligations or by subsequent action
19 all things necessary to carry into effect this section. Any authorizing resolution shall
20 constitute a contract with the ~~holder~~ owners of any ~~bonds~~ enterprise obligations
21 issued pursuant to ~~such~~ the resolution. Any authorizing resolution may contain such
22 provisions or covenants, without limiting the generality of the power to adopt the
23 resolution, as is are deemed necessary or desirable for the security of ~~bondholders~~
24 the owners of enterprise obligations or the marketability of the ~~bonds~~ enterprise
25 obligations, including ~~but not limited to~~ provisions as to:

1 ***-1432/7.15* SECTION 138.** 18.56 (9) (a) to (j) of the statutes are renumbered
2 18.561 (9) (a) to (j).

3 ***-1432/7.16* SECTION 139.** 18.56 (10) of the statutes is renumbered 18.561 (10)
4 and amended to read:

5 18.561 (10) SINKING FUND. The authorizing resolution may set apart ~~bonds~~
6 enterprise obligations the par value of which are equal to the principal amount of any
7 secured obligation or charge subject to which a revenue-producing enterprise or
8 program is to be purchased or acquired, and shall set aside in a sinking fund from
9 the income of the revenue-producing enterprise or program, a sum sufficient to
10 comply with the requirements of the instrument creating the security, ~~or if interest.~~
11 If the instrument does not make any provision therefor for a sinking fund, the
12 resolution shall fix and determine the amount ~~which that~~ shall be set aside into such
13 the sinking fund from month to month for interest on the secured obligation or
14 charge, and a fixed amount or proportion not exceeding a stated sum, which shall be
15 not less than one percent of the principal, to be set aside into the fund to pay the
16 principal of the secured obligation or charge. Any balance in the fund after satisfying
17 the secured obligations or charge, shall be transferred to the redemption fund. ~~Bonds~~
18 Enterprise obligations set aside for the secured obligation or charge may, from time
19 to time, be issued to an amount sufficient with the amount then in the sinking fund,
20 to pay and retire the secured obligation or charge or any portion thereof. The ~~bonds~~
21 enterprise obligation may be issued in exchange for or satisfaction of the secured
22 obligation or charge, or may be sold in the manner provided in this subchapter, and
23 the proceeds applied in payment of the same at maturity or before maturity by
24 agreement with the ~~holder~~ owner of the secured obligation or charge. The
25 commission and the owners of any revenue-producing enterprise or program

1 acquired or purchased may, upon such terms and conditions as are satisfactory,
2 contract that ~~bonds~~ enterprise obligations to provide for the discharge of the secured
3 obligation or charge, or for the whole purchase price shall be deposited with a trustee
4 or depository and released from the deposit from time to time on such terms and
5 conditions as are necessary to secure the payment of the secured obligation or charge.

6 ***-1432/7.17* SECTION 140.** 18.561 (title) of the statutes is created to read:

7 **18.561 (title) Enterprise obligations.**

8 ***-1432/7.18* SECTION 141.** 18.561 (1) of the statutes is created to read:

9 18.561 (1) PAYMENT WITH REVENUE OBLIGATIONS. The state and a contracting
10 party may provide, in any contract for purchasing or acquiring a revenue-producing
11 enterprise or program, that payment shall be made in revenue obligations.

12 ***-1432/7.19* SECTION 142.** 18.561 (7) (title) of the statutes is created to read:

13 18.561 (7) (title) PAYMENT FOR SERVICES.

14 ***-1432/7.20* SECTION 143.** 18.561 (8) (title) of the statutes is created to read:

15 18.561 (8) (title) RATES FOR SERVICES.

16 ***-1432/7.21* SECTION 144.** 18.561 (9) (k) of the statutes is created to read:

17 18.561 (9) (k) Defeasance of the obligations.

18 ***-1432/7.22* SECTION 145.** 18.562 of the statutes is created to read:

19 **18.562 Special fund obligations. (1) SECURITY INTEREST IN SPECIAL FUND.**

20 There is a security interest, for the benefit of the owners of the special fund
21 obligations, in the amounts that arise after the creation of the special fund program
22 in the special fund related to the special fund obligations. For this purpose, amounts
23 in the special fund shall be accounted for on a first-in, first-out basis. No physical
24 delivery, recordation or other action is required to perfect the security interest. The
25 special fund shall remain subject to the security interest until provision for payment

1 in full of the principal and interest of the special fund obligations has been made, as
2 provided in the authorizing resolution. An owner of special fund obligations may
3 either at law or in equity protect and enforce the security interest and compel
4 performance of all duties required by this section.

5 (2) USE OF SPECIAL FUND MONEYS. The commission and the state agency carrying
6 out the special fund program responsibilities shall jointly determine, and the
7 commission shall fix in the authorizing resolution for the obligations, the conditions
8 under which money in the special fund shall be set aside and applied to the payment
9 of the principal and interest of the obligations, deposited in funds established under
10 the authorizing resolution or made available for other purposes.

11 (3) REDEMPTION FUND. The special fund revenues that are to be set aside for the
12 payment of the principal and interest of the special fund obligations shall be paid into
13 a separate fund in the treasury or in an account maintained by a trustee under sub.
14 (5) (e) to be identified as “the ... redemption fund”. Each redemption fund shall be
15 expended, and all moneys from time to time on hand therein are irrevocably
16 appropriated, in sums sufficient, only for the payment of principal and interest on
17 the special fund obligations giving rise to it and premium, if any, due upon
18 redemption of any such obligations. Moneys in the redemption funds may be
19 commingled only for the purpose of investment with other public funds, but they
20 shall be invested only in investment instruments permitted in s. 25.17 (3) (dr). All
21 such investments shall be the exclusive property of the fund and all earnings on or
22 income from such investments shall be credited to the fund.

23 (4) SURPLUS. If any surplus is accumulated in any of the redemption funds,
24 subject to contract rights vested in the owners of special fund obligations security
25 thereby, it shall be paid over to the treasury.

1 (5) AUTHORIZING RESOLUTION. The commission may provide in the authorizing
2 resolution for special fund obligations or by subsequent action all things necessary
3 to carry into effect this section. Any authorizing resolution shall constitute a
4 contract with the owners of any special fund obligations issued pursuant to the
5 resolution. An authorizing resolution may contain such provisions or covenants,
6 without limiting the generality of the power to adopt the resolution, as are deemed
7 necessary or desirable for the security of owners of the obligations or the
8 marketability of the obligations, including provisions as to:

9 (a) Employment of consultants.

10 (b) Records and accounts.

11 (c) Establishment of reserve or other funds.

12 (d) Issuance of additional obligations.

13 (e) Deposit of the proceeds of the sale of the obligations or revenues of the
14 special fund in trust, including the appointment of depositories or trustees.

15 (f) Defeasance of the obligations.

16 ***-1432/7.23*** SECTION 146. 18.57 (title) of the statutes is repealed and
17 recreated to read:

18 **18.57 (title) Funds established for revenue obligations.**

19 ***-1432/7.24*** SECTION 147. 18.57 (1) of the statutes is amended to read:

20 18.57 (1) A separate and distinct fund shall be established in the state treasury
21 or in an account maintained by a trustee under s. ~~18.56~~ 18.561 (9) (j) with respect to
22 each revenue-producing enterprise or program the income from which is to be
23 applied to the payment of any revenue enterprise obligation. A separate and distinct
24 fund shall be established in the state treasury or in an account maintained by a
25 trustee under s. 18.562 (5) (e) with respect to any special fund that is created by the

1 imposition of fees, penalties or excise taxes and is applied to the payment of special
2 fund obligations. All moneys resulting from the issuance of evidences of revenue
3 obligation shall be credited to the appropriate fund or applied for refunding or note
4 renewal purposes, except that moneys which represent premium or accrued interest
5 received on the issuance of evidences shall be credited to the appropriate redemption
6 fund.

7 ***-1432/7.25* SECTION 148.** 18.57 (4) of the statutes is renumbered 18.57 (4)
8 (intro.) and amended to read:

9 18.57 (4) (intro.) If, after all outstanding related revenue obligations have been
10 paid or payment provided for, moneys remain in ~~any such a fund, they~~ created under
11 sub. (1), all of the following shall occur:

12 (a) If the fund created under sub. (1) is in an account maintained by a trustee
13 under s. 18.561 (9) (j) or 18.562 (5) (e), the moneys shall be paid over to the treasury
14 and the.

15 (b) The fund created under sub. (1) shall be closed.

16 ***-1432/7.26* SECTION 149.** 18.58 (1) of the statutes is amended to read:

17 18.58 (1) MANAGEMENT OF FUNDS AND RECORDS. All funds established under this
18 subchapter which are deposited in the state treasury shall be managed as provided
19 by law for other state funds, subject to any contract rights vested in ~~holders~~ owners
20 of evidences of revenue obligation secured by such fund. The department of
21 administration shall maintain full and correct records of each fund. The legislative
22 audit bureau shall audit each fund as of January 1 of each year reconciling all
23 transactions and showing the fair market value of all property on hand. All records
24 and audits shall be public documents. All funds established under this subchapter
25 which are deposited with a trustee under s. ~~18.56~~ 18.561 (9) (j) or 18.562 (5) (e) shall

1 be managed in accordance with resolutions authorizing the issuance of revenue
2 obligations, agreements between the commission and the trustee and any contract
3 rights vested in ~~holders of evidence~~ owners of revenue obligations secured by such
4 fund.

5 ***-1432/7.27* SECTION 150.** 18.60 (1) of the statutes is amended to read:

6 18.60 (1) The commission may authorize, for any one or more of the purposes
7 described in s. 18.53 (1), the issuance of revenue-obligation refunding bonds.
8 Refunding bonds may be issued, subject to any contract rights vested in ~~holders~~
9 owners of bonds or notes being refinanced, to refinance more than one issue of bonds
10 or notes notwithstanding that the bonds or notes may have been issued at different
11 times for different purposes and may be secured by the property or income of more
12 than one enterprise or program or may be public debt or building-corporation
13 indebtedness. The principal amount of refunding bonds shall not exceed the sum of:
14 the principal amount of the bonds or notes being refinanced; applicable redemption
15 premiums; unpaid interest on the bonds or notes to the date of delivery or exchange
16 of the refunding bonds; in the event the proceeds are to be deposited in trust as
17 provided in sub. (3), interest to accrue on the bonds or notes from the date of delivery
18 to the date of maturity or to the redemption date selected by the commission,
19 whichever is earlier; and the expenses incurred in the issuance of the refunding
20 bonds and the payment of the bonds or notes. A determination by the commission
21 that a refinancing is advantageous or that any of the amounts provided in the
22 preceding sentence should be included in the refinancing shall be conclusive.

23 ***-1432/7.28* SECTION 151.** 18.60 (2) of the statutes is amended to read:

24 18.60 (2) If the commission determines to exchange refunding bonds, they may
25 be exchanged privately for and in payment and discharge of any of the outstanding

1 bonds or notes being refinanced. Refunding bonds may be exchanged for a like or
2 greater principal amount of the bonds or notes being exchanged therefor except that
3 the principal amount of the refunding bonds may exceed the principal amount of the
4 bonds or notes being exchanged therefor only to the extent determined by the
5 commission to be necessary or advisable to pay redemption premiums and unpaid
6 interest to the date of exchange not otherwise provided for. The ~~holders~~ owners of
7 the bonds or notes being refunded who elect to exchange need not pay accrued
8 interest on the refunding bonds if and to the extent that interest is accrued and
9 unpaid on the bonds or notes being refunded and to be surrendered. If any of the
10 bonds or notes to be refinanced are to be called for redemption, the commission shall
11 determine which redemption dates shall be used, if more than one date is applicable
12 and shall, prior to the issuance of the refunding bonds, provide for notice of
13 redemption to be given in the manner and at the times required by the proceedings
14 authorizing the outstanding bonds or notes.

15 ***-1432/7.29* SECTION 152.** 18.60 (5) of the statutes is renumbered 18.60 (5)
16 (intro.) and amended to read:

17 18.60 (5) (intro.) All of the following provisions of ~~s. 18.56~~ that are not
18 inconsistent with the express provisions of this section shall apply to refunding
19 bonds, except that the maximum permissible term shall be 50 years from the date
20 of original issue of the oldest note or bond issue being refunded.;

21 ***-1432/7.30* SECTION 153.** 18.60 (5) (a) to (c) of the statutes are created to read:

22 18.60 (5) (a) Section 18.56.

23 (b) In the case of enterprise obligations, s. 18.561.

24 (c) In the case of special fund obligations, s. 18.562.

25 ***-1432/7.31* SECTION 154.** 18.61 (2) of the statutes is amended to read:

1 18.61 (2) The state pledges and agrees with the ~~holders~~ owners of any evidences
2 of revenue ~~obligation~~ obligations that the state will not limit or alter its powers to
3 fulfill the terms of any agreements made with the ~~holders~~ owners or in any way
4 impair the rights and remedies of the ~~holders~~ owners until the revenue obligations,
5 together with interest including interest on any unpaid instalments of interest, and
6 all costs and expenses in connection with any action or proceeding by or on behalf of
7 the ~~holders~~ owners, are fully met and discharged. The commission may include this
8 pledge and agreement of the state in any agreement with the ~~holders of notes or~~
9 ~~bonds and in any evidence~~ owners of revenue obligation.

10 ***-1432/7.32* SECTION 155.** 18.61 (3) (a) of the statutes is amended to read:

11 18.61 (3) (a) If the state fails to pay any revenue obligation in accordance with
12 its terms, and default continues for a period of 30 days or if the state fails or refuses
13 to comply with this subchapter or defaults in any agreement made with the ~~holders~~
14 owner of any issue of revenue obligations, the ~~holders~~ owners of 25% in aggregate
15 principal amount of the revenue obligations of the issue then outstanding by
16 instrument recorded in the office of the register of deeds of Dane county and approved
17 or acknowledged in the same manner as a deed to be recorded may appoint a trustee
18 to represent the ~~holders~~ owners of the ~~notes or bonds~~ revenue obligations for the
19 purposes specifically provided in the instrument.

20 ***-1432/7.33* SECTION 156.** 18.61 (3) (b) (intro.) of the statutes is amended to
21 read:

22 18.61 (3) (b) (intro.) The trustee may, and upon written request of the holders
23 owners of 25% in aggregate principal amount of the revenue obligations of the issue
24 then outstanding shall, in the trustee's own name:

25 ***-1432/7.34* SECTION 157.** 18.61 (3) (b) 1. of the statutes is amended to read:

1 18.61 (3) (b) 1. By action or proceeding, enforce all rights of all ~~holders~~ owners
2 of the issue of revenue obligations, including the right to require the state to collect
3 enterprise or program income adequate to carry out any agreement as to, or pledge
4 of, such income and to require the state to carry out any other agreements with the
5 ~~holders~~ owners of the revenue obligations and to perform its duties under this
6 subchapter;

7 ***-1432/7.35* SECTION 158.** 18.61 (3) (b) 3. of the statutes is amended to read:

8 18.61 (3) (b) 3. By action, require the state to account as if it were the trustee
9 of an express trust for the ~~holders~~ owners of the revenue obligations;

10 ***-1432/7.36* SECTION 159.** 18.61 (3) (b) 4. of the statutes is amended to read:

11 18.61 (3) (b) 4. By action, enjoin any acts or things which may be unlawful or
12 in violation of the rights of the ~~holders~~ owners of the revenue obligations; and

13 ***-1432/7.37* SECTION 160.** 18.61 (3) (c) of the statutes is amended to read:

14 18.61 (3) (c) The trustee shall have all of the powers necessary or appropriate
15 for the exercise of any functions specifically set forth in this subchapter or incident
16 to the general representation of the ~~holders~~ owners of revenue obligations in the
17 enforcement and protection of their rights.

18 ***-1432/7.38* SECTION 161.** 18.61 (4) of the statutes is amended to read:

19 18.61 (4) Any public officer or public employe, as defined in s. 939.22 (30), and
20 the surety on the person's official bond, or any other person participating in any
21 direct or indirect impairment of any fund established under this subchapter, shall
22 be liable in any action brought by the attorney general in the name of the state, or
23 by any taxpayer of the state, or by the ~~holder of any evidence~~ owner of revenue
24 obligation payable in whole or in part, directly or indirectly, out of such fund, to
25 restore to the fund all diversions from the fund.